

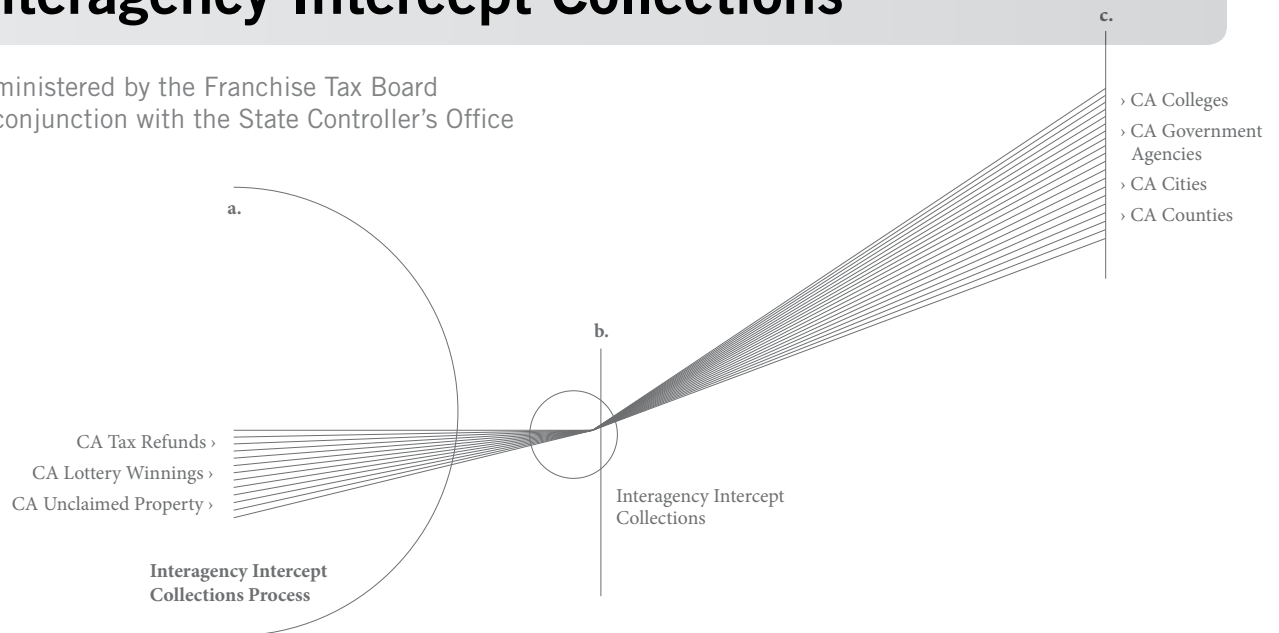


State of California
Franchise Tax Board



Interagency Intercept Collections

- Administered by the Franchise Tax Board
in conjunction with the State Controller's Office



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INTERAGENCY INTERCEPT COLLECTIONS (IIC) PROGRAM OVERVIEW

This section explains the following:

- Overview
- Benefits
- Cost
- Authority

OVERVIEW

Many full-year and part-year California residents do not pay delinquent debts owed to government agencies and California colleges. Yet, these individuals are scheduled to receive state payments including Franchise Tax Board (FTB) personal income tax refunds, Unclaimed Property Division (UPD) claim payments, or California State Lottery winnings.

In conjunction with the State Controller's Office (SCO), our program offsets these funds and transfers them to pay the individual's debts to agencies and colleges (hereinafter referred to as "agency"). We do not offset corporation, limited liability company, or partnership funds. Only state agencies, universities, and California Superior courts can offset UPD funds.

BENEFITS

Our program offers many benefits. We often collect funds that are otherwise unobtainable. We can do so in a fraction of the time and at a lower cost than other collection programs. Since 1975, our program has collected over a billion dollars and, in 2010 alone, we collected \$162 million for over 350 agencies. We can provide the same service to your agency or college.

COST

The IIC program determines the service fee per successful offset. SCO charges this fee to reimburse the administrative costs of the program. We base this fee on actual costs incurred, which varies each year. The IIC program will send an IIC Bulletin to advise you of the cost for the year. Agencies may add this fee to the debtor's account balance. SCO bills each agency in April for each successful offset we collect during the previous calendar year.

AUTHORITY

The Government Code sections in the table below provide authority for our IIC program. These codes determine the exact debts you can submit to the IIC program.

Reference	Description
Government Code Sections 12419.2-3, 12419.5, 12419.7-12	<ul style="list-style-type: none"> • Provides general authority for the IIC program. • Establishes debt priorities. • Identifies authorized debts, payments and participating agencies. • Requires administrative cost reimbursement.
Government Code Section 12419.8 California Revenue & Taxation Code 19551	Authorizes city and county tax officials pursuing property tax debts to request social security numbers.
Government Code Section 926.8	Establishes all state debts as priority before Internal Revenue Service (IRS) offset.
State Administrative Manual 8790	<ul style="list-style-type: none"> • Outlines offsets to collect state debts. • Requires state agencies to notify the debtor prior to offset and to provide them opportunity to present any valid objection.
State Administrative Manual 877.6	Outlines state agencies' collection procedures prior to offset.

ELIGIBILITY

This section explains participant eligibility, which includes:

- Qualifying Participants
- Qualifying Debts
- Debt Criteria

QUALIFYING PARTICIPANTS

To participate in IIC, you must be:

- A California state, city, or county agency.
- A California state college, community college district, or other post-secondary educational institution.
- The Internal Revenue Service (IRS).

Private collection firms or data service providers cannot participate in our program; but, they can submit accounts on behalf of eligible agencies. We only correspond with eligible agencies, even if they are involved with private collection firms or data service providers.

QUALIFYING DEBTS

Many debts qualify for our IIC:

- State agencies may submit any type of debt owed to them.
- Counties and cities can submit debts for property taxes, delinquent fines, bails, vehicle parking penalties, court-ordered payments, or other permitted debts.
- California colleges (and other post-secondary educational institutions) may submit debts to us for delinquent registration, tuition, bad check fees, library fines, federally subsidized student loans, or other permitted debts.

DEBT CRITERIA

Submit only debts where:

- The debt type qualifies under the IIC authority and has been approved through SCO.
- The Pre-Intercept notice has been mailed and the appropriate response time has elapsed. Refer to the “Steps for Participation” section for more information on the notice requirement.

- The debtor has a valid SSN and does not begin with “8.” You must provide your debtor’s SSN on your account submissions.¹ For city and county tax officials pursuing property tax debts, we can research SSNs for a fee (about \$6 each). Use the *Request for Social Security Number Search*, FTB 2284 PC, for this service.
- There is one debt amount for each debtor. If one debtor has multiple accounts with you, sum the debtor’s total and submit it as one account balance item. If you list a debtor’s multiple accounts separately, we only accept the first account.
- The debt amount is at least \$10.
- The debtor has not filed bankruptcy.

¹ California Revenue and Taxation Code Section 19551, and Government Code Section 12419.8.

THE IIC PROCESS

The IIC process consists of the following steps:

- Load and maintain debtor data.
- Compare state payment data to debtor data.
- Distribute offset payments according to debt priority.
- Notify parties of offsets.
- Update records with offsets.

LOADING AND MAINTAINING DEBTOR DATA

Participating agencies submit delinquent debtor accounts to us. We accept up to five offset requests from separate agencies for the same debtor. We reject debtor accounts that do not meet our criteria. If we reject an account, we send a Rejected Accounts Report/File that provides the debtor account information and the reason the account was rejected. Refer to *Exchanging Files* for more information on rejected accounts.

COMPARING STATE PAYMENT DATA TO DEBTOR DATA

Payment agencies send us their payment files weekly or daily. Payment agencies include Franchise Tax Board, California State Lottery, and State Controller's Office Unclaimed Property Division. Our system compares each payee's SSN and name to the SSN and name control contained in our debtor files. The result of this process is a *match*, *partial match*, or *no match*. A match on both SSN and name control is required to offset a payment. We provide notification of the match or partial match to both the debtor and payment agencies. If a match does not occur, the payment agency makes the payment as scheduled.

DISTRIBUTING OFFSET PAYMENTS ACCORDING TO DEBT PRIORITY

If a match on both SSN and name control occurs, our system determines the amount distributed to each participating agency according to the account hierarchy below (Government Code Section 12419.3)

- Child or family support pursued by a local agency or court.
- Child or family support pursued by a nonlocal agency or court.
- Spousal support pursued by a local agency or court.
- Spousal support pursued by a nonlocal agency or court.
- Victims Compensation and Government Claims Board agency.

- Benefit overpayments pursued by the Employment Development Department (if there is no signed reimbursement agreement, or if there are two consecutive delinquent reimbursement payments).
- SCO determines the priority of all other account types.

If a higher priority account is paid, we direct funds to the next priority agency. We repeat this pattern until all accounts are paid or until all offset funds are exhausted. If there are multiple identical priority accounts, we direct funds to the account with the largest liability.

NOTIFYING PARTIES OF OFFSET

We notify the participating agency and payment agency when an offset occurs. We also send the debtor an Intercept Notice with the following information:

- Debtor's account number with the agency.
- Original payment amount.
- Offset amount.
- Remaining balance to be paid by payment agency.
- Agency's public contact address and phone number.
- Government code authorizing the IIC program.

UPDATING RECORDS WITH OFFSETS

We update debtor records on our system with offsets to reduce the debt amounts. We send SCO a *Funds Transfer Request Letter* for the previous month's offsets. SCO credits these funds to the appropriate participating agency and sends each agency's accounting office a transaction record or a warrant for these offsets, listing the payment amount. We reduce the payment amount by any reversals that may occur during the period. Refer to *Reversals*, for more information.

PROGRAM REQUIREMENTS

To participate in the IIC program, you must:

- Certify your program participation annually and agree to meet all program and debt eligibility requirements.
- Provide updated certification and contact information when changes occur.
- Assign staff to respond to your debtor questions about their accounts. When we send the offset letter to your debtor, we provide your debtor the public contact unit information you completed on your *Intent to Participate*.
- Send a *Pre-Intercept Notice* at least 30 days prior to submitting debts to us.
- Submit your debts to us at least annually.
- Update debts immediately upon learning:
 - A debt is paid in full.
 - Your debtor has filed bankruptcy.
- Refund debtors any amount we overcollect.
- Reimburse us for erroneous offsets (reversals).
- Pay the IIC program service fees. If you fail to pay your fees within 30 days of the billing date, we may deduct the fees from any money we offset for you.
- Follow confidentiality guidelines:
 - Only use debtor information we provide for the requested purpose.
 - Ensure that all information we provide you is safeguarded (in accordance with the Internal Revenue Service Publication 1075).
 - Only send confidential information in a secure environment, never through unsecured email.
- Recognize unauthorized disclosure of confidential information is a misdemeanor.

STEPS FOR PARTICIPATION

You may participate in the IIC program at any time. However, since we process most refunds during the first three months of the calendar year, your agency will benefit most by following FTB 2646, *IIC Program Time Line*. A description of the steps in the time line follows below.

1. REQUEST TO PARTICIPATE

The executive officer or director for your agency signs and submits FTB 2282 PC, *Initial Request to Participate*, to SCO. Only new agencies must submit this form to SCO. After SCO approves your request to participate, they mail an approval notice to us and a copy to you.

You may continue to Step 2 while awaiting approval from SCO.

2. INTENT TO PARTICIPATE/AGENCY CERTIFICATION

Your agency's executive officer or director signs and submits an FTB 2280 PC, *Intent to Participate/Agency Certification*, annually. For new agencies: once we receive approval for your participation from SCO and your completed *Intent to Participate/Agency Certification*, we send you a welcome letter with your two-digit Agency Code.

3. PRE-INTERCEPT NOTICE

You are legally required to send your debtors a *Pre-Intercept Notice*, refer to sample FTB 2288. You must allow the debtor 30 days prior to submitting their debts to us, allowing them to resolve or dispute the liabilities before we offset their funds.² Do not submit debts to us until this requirement is met.

4. ANNUAL DEBTOR ACCOUNTS

Submit your annual debtor accounts by December 1. Refer to *Exchanging Files* for more information on how to submit accounts. We complete the following during annual processing between December and February:

- Purge all debts the last week in December.
- Process your annual debtor accounts for the upcoming calendar year the first week in January.
- Send you a listing of accounts received and rejected by mid-February.

² Wightman v. Franchise Tax Board, 249 Cal. Rptr. 207, 202 Cal App. 3d. 966 [1988]

If you are a new agency we approved during the process year, use the modified debtor account method below for your first submission of records.

5. MODIFIED DEBTOR ACCOUNTS

Submit your modified debtor accounts to add, delete, or change an account at any time during the process year. December 16 is the last day to submit modified accounts for the current process year before annual processing for the upcoming process year. You are not required to update the balance for offsets during the year, but you should modify the balance for voluntary payments or deletions to avoid over-collection. Refer to *Exchanging Files* for more information how to submit accounts.

6. WEEKLY OFFSET REPORTS

We provide you the following reports:

- Weekly detailed report of offset activity for each payment type (one each for personal income tax refunds, lottery winnings, and unclaimed property claim payments). The reports include the name of the debtor, offset amount, offset date and your debtor's account number.
- Daily or weekly error report of rejected accounts including the debtor's account information you submitted to us and the reason we rejected the account.
- Monthly reversal report of erroneous offsets including debtor's account information and amount of reversal. We can only provide this report on paper.

We only send these reports if there is offset, reject, or reversal activity. Contact the IIC Group to request these reports sent electronically using Secure Web Internet File Transfer (SWIFT). Refer to the *Exchanging Files* section for more information on SWIFT.

7. FUND DISBURSEMENT

SCO disburses offset payments to you each month through a fund transfer or warrant. If you cannot reconcile this amount with your weekly offset reports, please contact the IIC Group.

8. REVERSALS

Occasionally, we intercept funds in error resulting from misapplied payments causing a credit on the wrong account. If we determine your agency received funds in error, we will reduce your monthly payment amount by the reversal amount. We send you a weekly/monthly Reversal Notice advising you of these reversals, including the following information: Agency name, agency code, individual's name, SSN, dollar amount of the intercept, date of the intercept, and your account number (if

given). You may have to adjust your records and your intercept requested amount(s) to reflect the change.

If the reversal amount is higher than the period's offset payment amount, we will continue to reduce the amount of your offset payments until the reversal amount is satisfied. However, if after three months we cannot make an adjustment for the full reversal, we will send your agency a letter requesting payment remittal.

9. ADMINISTRATIVE COSTS

In April, SCO sends you a billing invoice for the previous year's IIC program service fees.

To determine this fee, SCO, California State Lottery, and FTB calculate the program's costs per year. SCO divides the program's costs by the number of successful offsets for that year. As a result, the program fee may vary year to year.

If you fail to pay your fees within 30 days of the billing date, we may deduct the fees from any money we offset for you.

EXCHANGING FILES

We offer your agency many ways to submit your accounts to us. This chapter explains:

- File Exchange Overview
- File Exchange Guidelines (toFTB)
- File Exchange Guidelines (fromFTB)
- Record Layouts

FILE EXCHANGE OVERVIEW

You can submit your agency's debtor accounts to us in various ways. We offer the following methods to exchange data. New agencies may only submit accounts using the SWIFT or paper method.

SWIFT is our preferred method for file exchange. By December 2012, we will only accept SWIFT for file exchange. Our goal is to have 80 percent of our agencies using SWIFT by December 2011, with the remaining 20 percent by December 2012. Contact the IIC Group to request an Excel spreadsheet template to help you convert your paper requests to a SWIFT format.

Method	New Agency	Returning Agency	Transmittal Required (FTB 2283)?
Secure Web Internet File Transfer (SWIFT)	X	X	
Paper (less than 250 records only)	X	X	
3 ½ inch disk		X	X
Compact Disk (CD)		X	X
IBM 3490 tape cartridge		X	X
Mainframe-to-Mainframe		X	

The following represents the IIC program files exchanged:

File	Type	Frequency
Annual Listing of Accounts	ToFTB	Annually
Modification Listing of Accounts	ToFTB	As requested
Annual accounts received	FromFTB	Annually
Rejected accounts	FromFTB	As processed
Personal Income Tax Offsets	FromFTB	Weekly
Lottery Offsets	FromFTB	Weekly
Unclaimed Property Offsets	FromFTB	Weekly

FILE EXCHANGE GUIDELINES (TO FTB)

If your agency has multiple Agency Codes, you must separately identify each Agency Code and its accompanying accounts. We request a separate SWIFT file folder and transmittal for each Agency Code. This part provides guidelines for the following file exchange methods:

- SWIFT
- Paper
- Disk and CD
- Cartridge
- Mainframe to Mainframe

SWIFT is our preferred method for data exchange. By December, 2012 we will only accept SWIFT for data exchange.

SECURE WEB INTERNET FILE TRANSFER (SWIFT)

SWIFT is the secure file transfer system all our external customers use for submitting confidential information to us via the Internet. You may now submit your debtor's accounts to us using this method. Our goal is to have most agencies using SWIFT by the end of 2011. To obtain a user guide for SWIFT, go to ftb.ca.gov and search for **swift**. This part explains the following regarding SWIFT:

- Benefits
- Registration
- Creating Files

Benefits

SWIFT allows:

- Us to process the file the same day if we receive it between the hours of 8 a.m. and 5 p.m., weekdays. If we receive the file after 5 p.m., we process it the next business day.
- You to update your files once a day.
- You to receive an email notification when we receive your file.

Registration

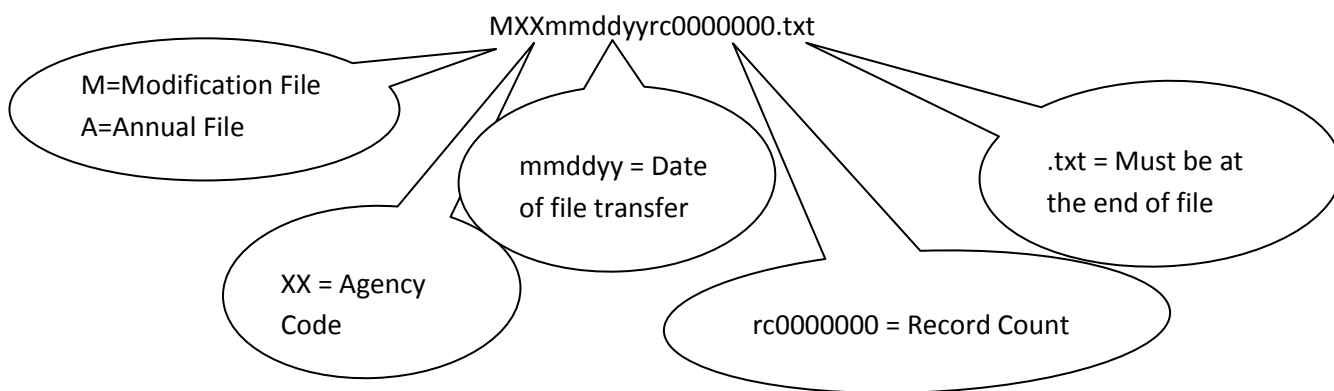
To register for SWIFT:

1. Establish contact(s) for file transfer notification. If your contact is more than one person, obtain a group email ID.
2. Contact the IIC group to request a user name and password.
3. We will email you your log in name and temporary password within 48 hours. You must change the temporary password once you receive it and update your password once a year.

Creating Files

Steps for creating your SWIFT Files for SWIFT:

1. Create a text file using the record layouts for *Annual or Modification Listing of Accounts*. Save the file in a text format using the following file name structure. You may do this by writing your accounts in the “notepad” program located under the “accessories” tab in Windows.



Example:

`MBA050411rc0001020.txt`

Modification Listing for Agency Code BA on 5/4/11 of 1,020 records

2. Log into SWIFT and copy the file into the appropriate folder (ToFTB Annual Files or ToFTB Modification Files)

Contact the IIC Group to request an Excel template to help you convert your Excel spreadsheet or paper listing into a text file for SWIFT transmission.

PAPER ACCOUNT SUBMISSIONS

We encourage SWIFT account submissions, but we allow paper submissions if you submit fewer than 250 accounts until our upcoming SWIFT conversion (2012).

Use FTB 2277 PC, *Annual Listing of Accounts*, during annual processing; or, FTB 2279 PC, *Modification Listing of Accounts*, during the year, using the following guidelines:

- Use double-spacing.
- Ensure the information is accurate and legible.
- Enter the accounts on one side of the page, not back-to-back.
- Include no more than 25 accounts per page.
- Use a 12-point font to help reduce errors (if you do not fill out the form manually).

Mail or fax your listing to the IIC Group. If you fax your paper listing, do not mail a copy. Contact the IIC Group to request an Excel template to help you convert your paper listing into a text file for SWIFT transmission.

DISK AND CD SUBMISSIONS

To submit your debtor accounts on a disk or CD, create a file and follow these guidelines:

- Use Microsoft Word or a similar word processor – but not Microsoft Excel.
 1. Turn on the Show/Hide icon (paragraph symbol on the toolbar) and the Ruler.
 2. Change Font to Courier New or any font that is not a true type font. We recommend a 12-point font.
 3. Set Zoom level to 100% (this makes it easier to see the alignment).
 4. Set View to Print Layout format and move right Indent Marker and MARGIN to column 45 for a new process year. (Set column to 50 for a modification file.)
 5. Set View back to normal.
 6. On the keyboard turn on the Caps Lock (all information must be in CAPS).
 7. Key in the information and be sure to press the Enter key at the end of each 45 characters of data (or 50 characters of data when doing a modification file). It is critical that you press Enter at the end of each line of data. Any blank fields must contain blank spaces – do not use any other characters as fillers. Use the spacebar to move the paragraph symbol to column 46 if less than 45 characters of data are used. If wrap-around occurs, you have keyed more than 45 characters of data. Correct it before continuing.
 8. Carefully review the data below, ensuring that:

- There are no paragraph symbols on a line without text (the dots are indicators of spaces, not periods). For instance: 09111223333TEST00012300SC55667CL.....¶
 - One paragraph symbol is present in column 46 for each line of data. For example:
09333445555TEST001234440ABROOMFORMORE.....¶
 - The font is not a “true type,” and the data is aligned. Such as:
09222334444TEST000123400CLTESTFILE000ENDOFCOL¶
09444556666TEST000012300CD22222TEST.....¶
9. Save the file by selecting FILE and then Save As. Choose whether to save it on a disk or CD drive. Type in the file name; then, in the Save As type box, highlight the TEXT ONLY selection. Press Enter to save.
- Save data as a text file.
 - Do not create files using a “.dat” extension. File name should end with a “.txt” extension.
 - Send only one text file (with all account data) per disk or CD.
 - Do not use stickers or labels to mark CDs or other electronic media submissions. Use a permanent marker.
 - Use the record layouts for the Annual Account File and Modified Account File.
 - Complete and send an *Interagency Intercept Transmittal* with your CD or disk to the address listed on the bottom of the transmittal form.
 - To receive your disk or CD back, submit a written request when submitting it.

If you do not follow these directions, we may reject your file.

CD ENCRYPTION

Use the following instructions for CD encryption. We provide passwords quarterly. Contact the IIC Group for your password.

1. Insert CD.
2. Double click on My Computer.
3. Double click on CD/DVD drive; FT.PI.P file will appear.
4. Double click on the file; A 7-Zip Self extracting Archive window will appear.
5. In the Extract to field – key in a different drive and folder (cannot open file at archive);
Ex: C:\Temp (Do not extract to CD/DVD drive).
6. Click on Extract.
7. Enter password window will appear; Enter your assigned password and click OK.
8. Locate the drive and folder you entered in step 5; Double click on the file.
9. A Windows box will appear; select the program from a list option and click OK.
10. An *Open With* window will appear; scroll down until *WordPad* appears; double click on *WordPad*, and the file should open.

CARTRIDGE SUBMISSIONS

When sending debtor accounts to us on a cartridge, follow these guidelines:

- Write data on a ½-inch magnetic tape in the unpacked mode, using an 18-track or 36-track cartridge.
- Tape cartridges must be IBM compatible, 3490 series.
- Record data using Extended Binary Coded Decimal Interchange Code (EBCDIC) format.
- Use standard IBM OS/VS internal header and trailer labels.
- Separate internal header and trailer records from the data with a tape mark.
- Ensure data has a record length (LRECL) of 45 characters for new process year input, or a record length (LRECL) of 50 characters for modifications to account data.
- Use a 100-blocking factor. Block size should equal 4500 (new process year) or 5000 (modifications).

If you do not follow these directions, we may reject your file. We will return your cartridge to you after we copy its information.

MAINFRAME TO MAINFRAME SUBMISSIONS

Some agencies submit debtor accounts using mainframe-to-mainframe. Use the following transmission instructions. Call our Data Exchange Unit for support (refer to *Contacts* section).

To transmit a dataset or one member of a partitioned dataset to us, follow the syntax examples below. The dataset name must include AGYANN if you send an annual account file or AGYMOD if you send a modification account file. The last level must include your Agency Code as shown:

Examples:

```
transmit ftb.tdagyo ds (myfile.sample.filedate.agyann.codexy)
transmit ftb.tdagyo dataset (myfile.sample.filedate.agymod.code16)
```

Security Considerations:

The TRANSMIT and RECEIVE commands may work differently depending on which security options your system uses. For instance, if your installation uses security labels and security checking, be aware of the following:

- When you transmit a dataset, the security label you are logged on with is associated with the transmitted dataset.
- You can only receive datasets you are authorized to obtain (based on the security label you are logged on with).

- Call the Data Exchange Unit at 916.845.3778, after transmitting your accounts.
- Provide the file name and record count when you call.
- Use the record layouts for the Annual Account File and Modified Account File:
- Use the 45-character record length for annual account submissions, and the 50-character record length for modified account submissions.

If you do not follow these directions, we may reject your file.

FILE EXCHANGE GUIDELINES (FROM FTB)

ANNUAL ACCOUNTS RECEIVED

When you send us annual accounts during year-end processing, we will return a file that includes accounts we accepted and rejected.

We include the following information in this file:

- Agency Code
- Debtor's SSN
- Debtor's Name Control
- Agency Type (State, City, County, etc.)
- Offset Requested Amount
- Agency's debtor account number
- Error message (rejected accounts only)

WEEKLY OFFSET REPORTS

These files provide the successful offset information you need to post payments to your debtor's accounts and reconcile your receivables. We provide separate reports for each payment type: Personal Income Tax, Lottery, and Unclaimed Property. We do not send a report if there is no offset activity.

We include the following information on this report/file:

- Agency Code
- Debtor's SSN
- Debtor's Name
- Debtor's address*
- Offset Amount
- Your agency's debtor account number

* We provide debtor addresses to agencies with a separate address sharing agreement. These agencies are generally tax agencies.

REJECTED ACCOUNTS

If we reject any accounts, we send you a Rejected Account Report/File, including the reason the account was rejected. Refer to the detailed descriptions of our error messages below.

Account Error Messages and Corrective Steps

Error Noted	Corrective Steps		
SSN must contain nine numbers.	VERIFY DATA	Resubmit in modification format as “A” if a new account, “C” if an existing account, or “D” if deleting the account.	
	REFERENCE	Modified Account File Record Layout, character positions 2-10.	
Last name not in alpha characters.	VERIFY DATA	Resubmit a modification format as “A” if a new account or “C” if an existing account.	
	REFERENCE	Modified Account File Record Layout, character positions 11-14.	
	EXAMPLE	Submitted as: O’S H (O’S HAY) VOY- BAY	Resubmit as: A OSHA A OSHA A VOYE (VOY-EGAN) A BAY (BAY)
Offset amount must be numeric.	VERIFY DATA	Resubmit in modification format as “A” if a new account or “C” if an existing account.	
	REFERENCE	Modified Account File Record Layout, character positions 17-25. Note: Ensure the field is right justified and zero filled on left.	
SSN cannot begin with “8.”	NOTE	The SSN must match the actual debtor SSN. Never submit a “dummy” SSN created for internal accounting.	
	VERIFY DATA	Resubmit in modification format as “A” if a new account, “C” if an existing account, or	

		"D" if deleting the account.
	REFERENCE	Modified Account File Record Layout, character positions 2-10.
Duplicate data on tape for SSN.	Locate the duplicate SSN and Name Control. If multiple account submissions exist for the same debtor, and we approved one of the account submissions, then sum the debtor's balances. Next, resubmit the account in modification format, coding it "C" (change existing account), and listing the combined balance. Otherwise, we will only offset funds for the first account balance submitted.	
Account balance below \$10.	VERIFY DATA	Resubmit in modification format as "A" if the balance owed exceeds \$9.99. If the balance is less than \$10, we cannot accept the account.
	REFERENCE	Modified Account File Record Layout, character positions 17-25.
Exceeds maximum number of requests.	Five higher priority debts exist for this account (the maximum allowed). We cannot accept this account submission. Do not resubmit this account during the current process year.	
Multiple SSN matches found.	Multiple SSN matches found. Multiple individuals use this account SSN, preventing us from identifying the correct debtor. We cannot accept this account submission. Please do not resubmit this account to us.	
Your agency previously added this account.	You submitted an existing account as a new account, which we cannot accept. To modify the account, resubmit it in modification format "C" to change existing account or "D" to delete existing account.	

<p>No agency liability to change or delete. “C”/“D” request is less than offset amount.</p>	<p>You submitted this account as a modification or deletion request, but we have no record of the account. Resubmit it in modification format as “A” if you wish to add this account.</p> <p>To delete this account, resubmit it in modification format as “D” and list the balance as \$0. To update the current balance, resubmit it in modification format as “C” (this balance must exceed \$10). Include any offsets-to-date in your revised amount because we will continue to deduct these offsets from your revised amount.</p> <p><u>Example:</u></p> <table> <tr> <td>Agency requested/revised amount</td><td>\$150</td></tr> <tr> <td>Voluntary payments to date</td><td>(\$50)</td></tr> <tr> <td>Offsets-to-date amount</td><td><u>(\$75)</u></td></tr> <tr> <td>Agency current balance</td><td>\$25</td></tr> <tr> <td>Revised Offset Amount</td><td>\$100 (\$75 + \$25)</td></tr> </table>	Agency requested/revised amount	\$150	Voluntary payments to date	(\$50)	Offsets-to-date amount	<u>(\$75)</u>	Agency current balance	\$25	Revised Offset Amount	\$100 (\$75 + \$25)
Agency requested/revised amount	\$150										
Voluntary payments to date	(\$50)										
Offsets-to-date amount	<u>(\$75)</u>										
Agency current balance	\$25										
Revised Offset Amount	\$100 (\$75 + \$25)										
<p>No Name Control and/or SSN match.</p>	<p>The Name Control and SSN provided must match our records. Verify your data, then resubmit the account in modification format as “C” (to change information) or “D” (to delete the account).</p>										

RECORD LAYOUTS

Annual Account File: 45 characters**Example:**

Agency Code: AC

Debtor SSN: 123456789

Last Name: Smith

Debt Amount: \$50.16

Account Number: 222222222

Layout: ‘AC123456789SMIT000005016000000000222222222 ‘

(Return after each line, including last line).

Field Name	Description	Instructions	Field Length	Character Position
Agency Code	Two-digit code we assign to your Agency		2	1 - 2

Debtor SSN	Debtor's nine-digit identification number	may not begin with an "8"	9	3 - 11
Name Control	First four letters of a debtor's last name, all CAPS.	Left justified, space filled on the right side Example: Lee, McCord, and O'Neal should be written LEE, MCCO, and ONEA.	4	12 - 15
Debt Amount	The amount you want offset. Nine numeric characters, right justified zero filled on left. We reject amounts less than \$10	Numeric, right justified, zero filled on left Example: \$50.16 would be 000005016.	9	16 – 24
Account/ Case Number	The number your agency assigns accounts to distinguish each one.	Use blanks or zeros to fill field	20	25 - 44
Placeholder/ Filler		Blank space as placeholder; press enter after each record	1	45

Modified Account File: 50 characters

Example:

Type: Change

Debtor SSN: 123456789

Last Name: Smith

Agency Code: AC

Account Number: 2222222222

Layout: 'C123456789SMITAC000002516000000000222222222 '

(Return after each line, including last line.)

Field Name	Description	Instructions	Field Length	Character Position
Type Code	Defines the account change you request	<p>A=Add new debtor account</p> <p>D = Delete debtor account (you must also indicate a zero balance to delete a debtor's account)</p> <p>C = Change the account balance or change a debtor's account/case number</p>	1	1
Debtor SSN	Debtor's nine-digit identification number	may not begin with an "8"	9	2 - 10
Name Control	First four letters of a debtor's last name, all CAPS.	<p>Left justified, space filled on the right side</p> <p>Example: Lee, McCord, and O'Neal should be written LEE, MCCO, and ONEA.</p>	4	11 - 14
Agency Code	Two-digit code we assign to your agency		2	15 – 16

Revised Amount	The new/current account balance minus all voluntary payments. We will deduct any offset payments.	Numeric, right justified, zero filled on left Example: \$50.16 would be 000005016	9	17 – 25
	<u>Example:</u> Agency requested/ revised amount \$150 Voluntary payments-to-date (\$50) Offsets-to-date amount <u>(\$75)</u> Agency current balance \$25 Revised Offset Amount \$100			
	We reject amounts less than \$10, except zero balances which delete accounts (when accompanied by a type-code "D")			
Account/ Case Number	The number your agency assigns accounts to distinguish each one.	Use spaces or zeros to fill fields	20	26 - 45
Placeholder/ Filler		Blank spaces as placeholder; press enter after each record	5	46 - 50

Accounts Received File: We are developing this process for future use.

Weekly Offset Files: We are developing this process for future use.

Rejected Accounts File: We are developing this process for future use.

CONTACT INFORMATION

Use the following information to contact us and SCO. List your agency name, Agency Code, and the words **Interagency Intercept Collections** on all submissions and correspondence sent to us.

Please do not refer debtors or private collection agencies to us, nor give them this contact information.

FTB IIC GROUP

Our IIC Group can answer your program questions or provide services/support, including:

- Help your staff answer debtor questions.
- Provide copies of missing reports.
- Help you reconcile your weekly reports to monthly fund transfer.
- Register you for SWIFT.
- Answer your billing questions.
- Help you password protect your CD or disk. (We provide the password on a quarterly basis.)

Address: STATE OF CALIFORNIA
INTERAGENCY INTERCEPT COLLECTIONS MS A460
FRANCHISE TAX BOARD
PO BOX 2966
RANCHO CORDOVA CA 95741-2966

Phone: 916.845.5344

Fax: 916.843.2460

Email: iicgroup@ftb.ca.gov

Do not send confidential account information through email.

FTB DATA EXCHANGE UNIT

Our Data Exchange Unit can answer your agency's media submission questions that are not answered or clarified in this guide.

Address: ATTN: DATA EXCHANGE UNIT
FRANCHISE TAX BOARD
PO BOX 942840
SACRAMENTO CA 94240-6090

Phone: 916.845.3778

Express Mail: FRANCHISE TAX BOARD
EXPRESS MAIL DESK
ATTN: DATA EXCHANGE UNIT
SACRAMENTO CA 95827

STATE CONTROLLER'S OFFICE

You may contact SCO about questions pertaining to their involvement in the IIC program.

Address:

DIVISION OF ACCOUNTING & REPORTING
BUREAU OF STATE TAX ADMINISTRATION
ATTN: OFFSET COORDINATOR
OFFICE OF THE STATE CONTROLLER
PO BOX 942850
SACRAMENTO CA 94250-5880

Phone: 916.322.4632

Fax: 916.327.2563

LIST OF FORMS

Use the following forms to participate in the IIC program. Go to **ftb.ca.gov** and search for **intercept** to get the most recent version. You need a password for some of the forms on our website. Contact the IIC Group for the password or to get the most recent version of these forms.

Form Name	Intended Use	Form Number
Initial Request to Participate	New agencies or debt type changes	FTB 2282 PC
Intent to Participate and Agency Certification	New agencies and returning agencies (annually)	FTB 2280 PC
Pre-Intercept Notice Sample	Use as model for your intercept notice	FTB 2288
Annual Listing of Accounts	Use for paper annual account submissions	FTB 2277 PC
Modification Listing of Accounts	Use for paper submissions throughout the process year	FTB 2279 PC
Interagency Intercept Transmittal	Use for tape cartridge, CD or disk file exchanges	FTB 2283
Request for Social Security Number Search	County and city tax officials may use to request SSNs	FTB 2284 PC
Interagency Intercept Collection Program Timeline	Annual intercept process	FTB 2646



Our program redirects state tax refunds, UCP, and California State Lottery winnings to pay individuals' debts to government agencies and California colleges. As opposed to expensive and exhaustive collection programs, our program can collect more money in less time at reduced costs.

